GOVERNMENT OF INDIA
SOCIAL JUSTICE AND EMPOWERMENT
LOK SABHA

UNSTARRED QUESTION NO:3112
ANSWERED ON:21.03.2017
Misappropriation of Public Funds by Voluntary Organisations
Reddy Shri Midhun

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) the details of Voluntary Organisations (VOs) whose licenses had been cancelled by the Government during each of the last two years and the grounds for cancellation, State-wise including Andhra Pradesh, Odisha and West Bengal;

(b) whether the Government has any proposal to introduce any guidelines/ regulations to prevent misappropriation of public funds by VOs and if so, the details thereof;

(c) whether the Government proposes to create other sources of funds for VOs as some of the VOs whose licenses were cancelled were working for project implementing agency; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE FOR SOCIAL JUSTICE AND EMPOWERMENT
(SHRI VIJAY SAMPLA)
(a): This Ministry does not grant any licences to NGOs but provides financial grants to NGOs under various schemes on fulfilling the eligibility criteria of schemes for the welfare of Scheduled Castes, Other Backward Classes, Senior Citizens, Victims of Drug Abuse, and the Persons with Disabilities. However, the State-wise (including Andhra Pradesh and Odisha) details of NGOs blacklisted due to violation of scheme guidelines/ irregularities during the last two years are at Annexure. No NGO has been blacklisted in the State of West Bengal.

(b): The Ministry monitors and ensures checks on misappropriation of funds by NGOs in the following ways:-
(i) Fresh/subsequent release of grants to implementing agencies during a year are made only on receipt of Utilization Certificates in respect of previous year's grants, which have become due.
(ii) The Schemes/programmes implemented through NGOs are also monitored by respective State Governments/UT Administrations.
(iii) The Ministry also sponsors evaluation studies from time to time through independent evaluation agencies, inter alia, to check proper utilization of funds by the implementing agencies.
(iv) The Ministry has developed centralized on-line application software with the assistance of National Informatics Centre (NIC) on the website of the Ministry www.ngograntsje.gov.in. All applications from NGOs for seeking Grant-in-aid (GIA) under the schemes of the Ministry are received through on-line website with effect from 1.4.2014 and onwards.
(v) Inspections of NGOs is also carried out by the State Governments and by the Ministry.
(c) & (d): This Ministry does not have any such proposal.